

(c) After the grantee submits a copy of the emergency or modernization contract approved by the grantee's governing board, the Secretary makes available 80 percent of the total award amount to a grantee.

(d) The Secretary makes available up to the remaining 10 percent of the total award amount to the grantee after the grantee submits a statement that—

(1) Details any earnings, savings, or interest;

(2) Certifies that—

(i) The project is fully completed; and

(ii) All the awarded funds have been spent for grant purposes; and

(3) Is signed by the—

(i) Chairperson of the governing board;

(ii) Superintendent of schools; and

(iii) Architect of the project.

(Authority: 20 U.S.C. 7707(b))

**§ 222.196 What additional construction and legal requirements apply?**

(a) Except as provided in paragraph (b) of this section, a grantee under this program must comply with—

(1) The general construction legal requirements identified in the grant application assurances;

(2) The prevailing wage standards in the grantee's locality that are established by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a, *et seq.*); and

(3) All relevant Federal, State, and local environmental laws and regulations.

(b) A grantee that qualifies for a grant because it enrolls a high proportion of federally connected children who reside on Indian lands is considered to receive a grant award primarily for the benefit of Indians and must therefore comply with the Indian preference requirements of section 7(b) of the Indian Self-Determination Act.

(Authority: 20 U.S.C. 7707(b) and 1221e-3)

**PART 225—CREDIT ENHANCEMENT FOR CHARTER SCHOOL FACILITIES PROGRAM**

**Subpart A—General**

Sec.

225.1 What is the Credit Enhancement for Charter School Facilities Program?

225.2 Who is eligible to receive a grant?

225.3 What regulations apply to the Credit Enhancement for Charter School Facilities Program?

225.4 What definitions apply to the Credit Enhancement for Charter School Facilities Program?

**Subpart B—How Does the Secretary Award a Grant?**

225.10 How does the Secretary evaluate an application?

225.11 What selection criteria does the Secretary use in evaluating an application for a Credit Enhancement for Charter Schools Facilities grant?

225.12 What funding priority may the Secretary use in making a grant award?

**Subpart C—What Conditions Must Be Met by a Grantee?**

225.20 When may a grantee draw down funds?

225.21 What are some examples of impermissible uses of reserve account funds?

AUTHORITY: 20 U.S.C. 7223, unless otherwise noted.

SOURCE: 70 FR 15003, Mar. 24, 2005, unless otherwise noted.

**Subpart A—General**

**§ 225.1 What is the Credit Enhancement for Charter School Facilities Program?**

(a) The Credit Enhancement for Charter School Facilities Program provides grants to eligible entities to assist charter schools in obtaining facilities.

(b) Grantees use these grants to do the following:

(1) Assist charter schools in obtaining loans, bonds, and other debt instruments for the purpose of obtaining, constructing, and renovating facilities.

(2) Assist charter schools in obtaining leases of facilities.

(c) Grantees may demonstrate innovative credit enhancement initiatives